

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1041

ANSWERED ON:23.10.2008

ALLOTMENT OF PERMANENT COCOS ON ADHOC DEALERSHIP

Nikhil Kumar Shri

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether the Government is aware of the fact that oil PSUs specially Indian Oil Corporation Ltd. is still allotting its permanent Company Owned Company Operated (COCOs) on adhoc dealership basis to its existing dealers in violation of Multiple Dealership norms and guidelines issued vide policy circular dated 6 September,2006;

(b): the details of each COCO awarded on adhoc dealership basis after 6 September,2006, location-wise,division-wise etc.;

(c): the action taken/proposed to be taken against the official responsible for such violation;and

(d): the corrective action proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (d): The Ministry of Petroleum & Natural Gas vide letter dated 6.9.2006 had issued broad guidelines on operation of Company-Owned-Company-Operated (COCO) outlets based on which the public sector oil marketing companies (OMCs),viz.,Indian Oil Corporation Limited (IOC), Hindustan Petroleum Corporation Limited (HPC) and Bharat Petroleum Corporation Limited (BPC) were advised to frame their own detailed guidelines.These guidelines also provide the broad parameters for operating permanent COCO by OMCs.Pursuant to these guidelines,efforts were made by OMCs to formulate uniform guidelines for operation of permanent COCOs.However,in view of varying mode of operations of permanent COCOs by OMCs,a uniform approach is yet to be finalized.

In the absence of any uniform guidelines,OMCs are operating their permanent COCOs as per their existing guidelines which allow operation of permanent COCOs on the basis of ad-hoc dealership. The number of such COCOs run by OMCs on adhoc dealership basis as on date are as under:-

IOC 46

HPC 31

BPC Nil

The details of the locations of permanent COCOs are available with the Director(Marketing) of the concerned OMCs.